

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATIONS OF BIG RIVERS)
ELECTRIC CORPORATION FOR:)
(I) APPROVAL OF WHOLESALE TARIFF)
ADDITIONS FOR BIG RIVERS ELECTRIC)
CORPORATION, (II) APPROVAL OF)
TRANSACTIONS, (III) APPROVAL TO ISSUE) CASE NO. 2007-00455
EVIDENCES OF INDEBTEDNESS, AND)
(IV) APPROVAL OF AMENDMENTS TO)
CONTRACTS; AND OF E.ON U.S., LLC,)
WESTERN KENTUCKY ENERGY CORP.,)
AND LG&E ENERGY MARKETING, INC.)
FOR APPROVAL OF TRANSACTIONS)

O R D E R

On July 17, 2008, Big Rivers Electric Corporation ("Big Rivers") filed a Motion to Expedite which requests the Commission to issue expedited decisions on two matters currently pending in this case. The first of those matters is a June 11, 2008 Motion to Amend and Supplement Application ("Motion to Amend"), which seeks authorization to file certain new agreements and revised versions of previously filed agreements, all of which are attached to the Motion to Amend. The other matter for which an expedited decision is requested is for approval of the Amendment to Operating and Support Agreement ("Operating Agreement Amendment"), which is attached as Exhibit 6 to the aforementioned Motion to Amend and which amends the April 1, 2000 operating agreement related to the leveraged lease of Big Rivers' D.B. Wilson Unit 1 ("Wilson 1")

to reflect the recent termination of the interest of Bank of America Leasing Corp. ("B of A").

By Order dated July 18, 2008, the Commission established July 24, 2008 as the due date for the filing of responses to Big Rivers' Motion to Expedite. No responses to the motion have been filed.

Big Rivers states in its Motion to Expedite that it terminated the leveraged lease interest of B of A in Wilson 1 on June 30, 2008. As a result, the original Operating and Support Agreement, dated April 1, 2000, among Big Rivers and the statutory trusts that represent the interests of B of A and Philip Morris Capital Corporation ("Philip Morris") must be amended to reflect that Big Rivers is now the owner of over 57 percent of Wilson 1. Absent the Operating Agreement Amendment, Philip Morris will have the sole right to make certain decisions regarding Wilson 1, such as the adoption of budgets and the right to make modifications to the facility. Big Rivers further states that an expedited decision on the Operating Agreement Amendment is necessary because the hearing and decision on the merits of this case have been postponed due to circumstances beyond its control.

Based on the Motion to Expedite and being otherwise sufficiently advised, the Commission finds good cause to grant that motion and to grant the June 11, 2008 Motion to Amend and approve the Operating Agreement Amendment. Since the interest of B of A in the leveraged lease of Wilson 1 has already been terminated, there is an immediate need to amend the April 1, 2000 operating agreement to reflect that Big Rivers has acquired the former interest of B of A in Wilson 1.

IT IS THEREFORE ORDERED that:

1. Big Rivers' Motion to Expedite is granted.
2. Big Rivers' June 11, 2008 Motion to Amend and Supplement is granted.
3. The Amendment to Operating and Support Agreement is approved and, within 10 days of its execution, Big Rivers shall file executed copies in the record of this case.

Done at Frankfort, Kentucky, this 30th day of July, 2008.

By the Commission

Chairman Armstrong abstains.

ATTEST:


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